

**CERTAIN POLICIES AND PROCEDURES
OF THE
NASSAU COUNTY SEWER AND STORM WATER FINANCE AUTHORITY**

Amended as of December 1, 2010

I. Acquisition and Disposition of Property

General Statement of Policy

In accordance with Title 5-A of Article 9 of the Public Authorities Law (the "PAL"), it is the policy of the Nassau County Sewer and Storm Water Finance Authority (the "Authority") to assure that real and personal property of the Authority is disposed of and acquired in a manner consistent with applicable law and to the greatest benefit of the Authority and its purposes.

The governing body of the Authority shall review these policies and procedures annually.

Disposition of Real Property

- a) Pursuant to Section 1232-d(6) of the PAL, the Authority may sell or otherwise convey any of its real or personal property ("Property") or any interest therein, as the governing body of the Authority may deem necessary, convenient or desirable to carry out the purposes of the Authority. In accordance with Section 2897 of the PAL, Property shall not be disposed for less than the fair market value of such Property.
- b) Pursuant to Section 2897(3) of the PAL, the sale of any such Property shall be on such terms and conditions as the Authority shall approve; provided, however, that the Authority shall publicly advertise for sealed bids for the purchase of any Property. Pursuant to Section 2897(6) of the PAL, the public advertisement for sealed bids shall be subject to the following:
 - 1. the advertisement for bids shall be made at such time prior to the disposal or contract, through such methods, and on such terms and conditions as shall permit full and free competition consistent with the value and nature of the Property;
 - 2. all bids shall be publicly disclosed at the time and place stated in the advertisement; and
 - 3. the award shall be made with reasonable promptness by notice to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the Authority, price and other factors considered; provided, that all bids may be rejected when it is in the public interest to do so.
- c) The requirement that the Authority shall publicly advertise for sealed bids shall not apply if any of the circumstances described in Section 2897(6)(c) of the Public Authorities Law applies.

- d) Pursuant to Section 1232-d(6) of the Public Authorities Law, any sale or lease of real property by the Authority must be approved by the Legislature of the County unless the proceeds therefrom are used to pay debt service on Authority bonds.
- e) Under the circumstances described in Section 2897(6)(d) of the Public Authorities Law, the Authority shall complete and file an explanatory statement, as such statement is described in such Section 2897(6)(d).

Acquisition of Real Property

- a) Pursuant to Section 1232-d(6) of the PAL, the Authority may acquire, by purchase, gift, grant, transfer, contract or lease any real or personal property or any interest therein, as the Authority may deem necessary, convenient or desirable to carry out the Authority's purposes.
- b) Pursuant to Section 1232-d(6) of the PAL, the acquisition of any real property or any interest therein from the County or any agency, entity or subsidiary of the County shall occur for no consideration or compensation greater than the amount necessary to defease obligations outstanding with respect to such property
- c) Pursuant to Section 1232-d(6) of the PAL, in connection with the purchase or lease of real property by the Authority, the Authority may assume any obligations of the owner of such property and, to the extent required by the terms of any indentures or other instruments under which such obligations were issued, the Authority may assume and agree to perform covenants and observe the restrictions contained in such instruments.
- d) Pursuant to Section 1232-e(3) of the PAL, the Authority shall not acquire any Property which is real property upon which County-owned facilities are located.

Contracting Officer of the Authority

- a) In accordance with Sections 2895(1) and 2896(1)(b) of the PAL, the Chairperson of the Authority shall act as the contracting officer for the Authority with regard to the disposition or acquisition of real property.
- b) The duties of the contracting officer shall be:
 - 1. to comply with and enforce these guidelines
 - 2. to have supervision and direction over the acquisition and disposition of Property
 - 3. if requested by the Authority, to take inventory of all real property of the Authority for the purpose of determining which property of the Authority shall be disposed of

- c) Though the contracting officer is responsible for complying with and enforcing these guidelines, the contracting officer shall have no authority to bind the Authority with regard to the acquisition or disposition of real property, unless as otherwise directed by the Authority.

II. Policies Regarding Compensation and Time and Attendance for Executive Officers

Section 2824(1) of the Public Authorities Law requires that boards of all public authorities establish policies regarding the payment of salary to, and establish rules for the time and attendance of, the chief executive and senior management of such authority. Pursuant to New York Public Authorities Law § 1232-c(5), the Nassau County Sewer and Storm Water Finance Authority is not permitted to hire employees. Thus, no policy regarding the compensation and time and attendance for executive officers is necessary

III. Whistleblower Protection Policy

Pursuant to New York Public Authorities Law § 1232-c(5), the Nassau County Sewer and Storm Water Finance Authority is not permitted to hire employees. Thus, no whistleblower protection policy, as set forth in Section 2824(1) of the Public Authorities Law, is necessary.

IV. Travel and Expense Policy

Section 2824(1) of the Public Authorities Law requires that boards of all public authorities establish policies regarding reimbursements to the chief executive and senior management of the Authority. Pursuant to New York Public Authorities Law § 1232-c(1), the members of the governing body of the Authority may be reimbursed for all actual and necessary expenses, including travel expenses; provided, however, that no member may receive reimbursement of more than five thousand dollars (\$5,000.00) in the aggregate per fiscal year of the Authority. The approval of such reimbursements is specified in the Authority's by-laws.

V. Defense and Indemnification of Board Members

Section 2824(1) of the Public Authorities Law requires that boards of all public authorities adopt a defense and indemnification policy and disclose such plan to any and all prospective board members. Pursuant to New York Public Authorities Law § 1232-r, no member of the governing body, nor any municipality, officer or employee acting on its behalf, while acting within the scope of their authority, is subject to any personal liability resulting from the construction, maintenance or operation of any of the properties of the Authority or from carrying out any of the powers expressly given to such member, officer or employee under Title 10-D of Article 5 of the New York Public Authorities Law. As such, the Authority will indemnify and defend any member of the governing body of the Authority and/or any officer of the Authority against any claim or cause of action brought against such member and/or officer arising out of actions by such member while acting within the scope of their authority in relation to the construction, maintenance or operation of any of the properties of the Authority or in carrying out any of the

powers given to such member and/or officer under Title 10-D of Article 5 of the New York Public Authorities Law.